

Sept. 2001

From: Joelle Burns
To: Lowell Braxton; Wayne Hedberg
Subject: IMC Kalium Ogden Corp - M/057/002

I received a phone call this p.m. from Debbie Conn of IMC Kalium's Corporate office. She informed me that they were replacing the existing LOC issued by Bank of America with a LOC from Chase Manhattan Bank for the Little Mountain Plant. She said the new LOC was being sent to Lowell and should be here today or tomorrow.

She requested that we return the LOC from Bank of America along with a letter releasing it as soon as we get the replacement LOC because they will be paying premiums to both banks until we release it.

I then called and talked to Ken Warnick at the Ogden address to inform him that we would need a new Reclamation Contract to accompany the new bond that we will be getting. Ken was aware corporate was going to replace the bond, but didn't know it was so soon. The company is going to be sold again (he couldn't tell me who or he'd have to kill me). He was hoping they would wait until then to replace things (they've been working on this for about 1 ½ years, but it hopefully should be finalized and closed within the next 2-3 months). We will have to do this process all over again with a new company, a transfer, new contract, new surety, etc. So he was a little upset that corporate is replacing this right now.

We talked about the bond being due for review in April 2002. I told him we would probably want to review the bond when it was changed to the new company, so it would be up to date for the new company (so the new company wouldn't go through the process of obtaining a bond, then a month or so later we'd be asking them to update it). Ken then decided it would actually be better to go ahead with the surety change now, so everything wasn't happening at the same time.

A copy of this note will be sent to the mine file - M/057/002.

CC: Doug; Lynn Kunzler